

**LUFKIN – CONROE TELEPHONE EXCHANGE, INC.**  
**SWITCHED ACCESS RATE DEVELOPMENT**  
**INFORMATION SURCHARGE**

1. INFORMATION SURCHARGE REVENUE REQUIREMENT	\$79,123
2. PREMIUM MINUTES OF USE	146,411,982
3. NON–PREMIUM MINUTES OF USE	0
4. WEIGHTED SURCHARGEABLE MINUTES	146,411,982
5. PREMIUM INFORMATION SURCHARGE RATE PER MINUTE (LS–1 AND LS–2)	0.000540
6. NON–PREMIUM INFORMATION SURCHARGE RATE PER MINUTE (LS)	0.000243
7. PREMIUM INFORMATION SURCHARGE RATE PER 100 MINUTES (LS–1 AND LS–2)	0.0540
8. NON–PREMIUM INFORMATION SURCHARGE RATE PER 100 MINUTES (LS)	0.0243
9. ANNUAL REVENUE – PREMIUM INFORMATION RATE	\$79,123
10. ANNUAL REVENUE – NONPREMIUM INFORMATION RATE	\$0
11. TOTAL REVENUE – INFORMATION SURCHARGE	<u>\$79,123</u>

NOTE 1: LINE 4 = LINE 2 + (LINE 3 \* 0.45)

2: LINE 5 = LINE 1 + LINE 4

3: LINE 6 = LINE 5 \* 0.45

4: LINE 7 = LINE 5 + 100

5: LINE 8 = LINE 6 + 100

**LUFKIN – CONROE TELEPHONE EXCHANGE, INC.**  
**SWITCHED ACCESS RATE DEVELOPMENT**  
**NON-RECURRING REVENUE REQUIREMENT**

<b>LINE #</b>	<b>DESCRIPTION</b>	<b>(A) RATE</b>	<b>(B) DEMAND</b>	<b>(C)=A*B AMOUNT</b>
1.	SWITCHED ACCESS SERVICE ORDER NRC REVENUE REQUIREMENT	\$77.00	83	\$6,391
2.	SWITCHED ACCESS PROVISIONINGS NRC REVENUE REQUIREMENT	\$191.00	773	\$147,643
3.	INTERIM NXX TRANSLATION NRC REVENUE REQUIREMENT	\$255.00	8	\$2,040
4.	PRESUBSCRIPTION NRC REVENUE REQUIREMENT	\$5.00	800	\$4,000
5.	UNAUTHORIZED PIC CHANGE NRC REVENUE REQUIREMENT	\$37.10	20	\$742
6.	TOTAL NON-RECURRING REVENUE REQUIREMENT			<u>\$160,816</u>

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**REVENUE REQUIREMENT**

<b><u>DISTRIBUTE REVENUE REQUIREMENT TO SPECIAL ACCESS ELEMENTS</u></b>	<b><u>AMOUNT</u></b>
COE CAT. 4.13 INVESTMENT	\$311,104
X ANNUAL CARRY CHARGE	0.346271
COE CAT.4.13 ANNUAL COST ASSIGNED TO CT	<u>\$107,726</u>
COE CAT. 4.23S INVESTMENT	\$1,294,747
COE CAT. 4.23S INV. ASSIGNED TO DISTANCE SENSITIVE (NOTE 2)	\$319,838
COE CAT. 4.23S INVESTMENT ASSIGNED TO OFF'S (NOTE 1)	<u>\$318,251</u>
COE CAT. 4.23S INVESTMENT ASSIGNED TO CMT	\$656,658
X ANNUAL CARRY CHARGE	0.346271
COE CAT. 4.23S ANNUAL COST ASSIGNED TO CMT	<u>\$227,381</u>
COE CAT. 4.23S INVESTMENT ASSIGNED TO OFF'S (NOTE 1)	318,251
X ANNUAL CARRY CHARGE	0.346271
COE ANNUAL COST ASSIGNED TO OFF	<u>110,201</u>
C&WF CAT. 1 INVESTMENT	\$783,884
X ANNUAL CARRY CHARGE	0.362470
C&WF CAT. 1 ANNUAL COST	<u>284,134</u>
- NON-RECURRING CHARGES	\$59,567
C&WF CAT. 1 ANNUAL COST ASSIGNED TO CT	<u>\$224,567</u>
C&WF CAT. 3 INVESTMENT	\$673,450
X ANNUAL CARRY CHARGE	0.362470
C&WF CAT. 3 ASSIGNED TO CMF	<u>\$244,105</u>
COE DISTANCE SENSITIVE CAT. 4.23S (NOTE 2)	\$319,838
X ANNUAL CARRY CHARGE	0.346271
COE DISTANCE SENSITIVE CAT. 4.23S ASSIGNED TO CMF	<u>\$110,751</u>
TOTAL ANNUAL COST ASSIGNED TO CMF	<u>\$354,856</u>

**NOTE :**

- 1: ANNUAL OPTIONAL FEATURE & FUNCTION INV. FOR OFF'S. (SEE Pg. 10)
- 2: ANNUAL DISTANCE SENSITIVE COE INV. ASSIGNED TO CMF. (SEE Pg. 10)
- 3: INVESTMENT AMOUNTS TAKEN FROM PT69 ALLOCATION.

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**REVENUE REQUIREMENT**

<u>TOTAL REVENUE REQUIREMENT</u>	<u>AMOUNT</u>
SPECIAL ACCESS REVENUE REQUIREMENT	\$1,124,574
- NON-RECURRING CHARGES	\$59,567
- SPECIAL ACCESS SURCHARGE	\$600
REV. REQ. LESS NRC & SURCHARGE	<u>\$1,064,407</u>

CALCULATED ANNUAL COSTS

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**TO DISTRIBUTE OFF INVESTMENT FROM COE 4.23 CATEGORY**

<b><u>TO DISTRIBUTE COE CAT. 4.23S BETWEEN CMT, CMF &amp; OFF'S</u></b>	<b><u>AMOUNT</u></b>
DISTANCE SENSITIVE SPAN LINE INVESTMENT	\$997,887
CHANNEL MILEAGE TERMINATION INVESTMENT	\$3,041,688
TOTAL CAT. 4.23S INVESTMENT	<u>\$4,039,575</u>
PART 69 INTERSTATE COE CAT. 4.23S INVESTMENT	\$1,294,747
MULTIPLIED BY DISTANCE SENSITIVE (CMF) FACTOR	0.247028
COE 4.23S DISTANCE SENSITIVE INV. ASSIGNED CMF	<u>\$319,838</u>
PART 69 INTERSTATE COE CAT. 4.23S INVESTMENT	\$1,294,747
LESS COE 4.23S DISTANCE SENSITIVE INV. ASSIGNED CMF	\$319,838
RESIDUAL COE CAT. 4.23S INVESTMENT ASSIGNED CMT & OFF'S	<u>\$974,909</u>
OFF INVESTMENT FROM BASIC STUDY (UNITS * INV)	\$216,462
CMT INVESTMENT FROM BASIC STUDY (UNITS * INV)	\$446,633
TOTAL CALCULATED INVESTMENT FROM BASIC STUDIES	<u>\$663,095</u>
RATIO OF REV.REQ.INV. TO CALCULATED INV.	
OFF INVESTMENT FROM BASIC STUDY	\$216,462
RATIO OF REVENUE REQUIREMENT TO CALCULATED INVESTMENT	1.470240
DISTRIBUTED OFF INVESTMENT FOR OFF'S	<u>\$318,251</u>
RESIDUAL COE CAT. 4.23S INVESTMENT ASSIGNED CMT & OFF'S	974,909
DISTRIBUTED OFF INVESTMENT	318,251
RESIDUAL COE CAT. 4.23S INVESTMENT ASSIGNED CMT	<u>656,658</u>

NOTE 1: THE SEGREGATION OF DISTANCE SENSITIVE INVESTMENT FROM TERMINATION  
INVESTMENT IS DETERMINED IN THE COE CPR SEPARATIONS ANALYSIS.

**LUFKIN—CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
CT COSTS

<u>DEVELOPMENT OF C&amp;WF CAT. 1.3 COST PER CT</u>	<u>AMOUNT</u>
ANNUAL COST	\$224,567
EQUIVALENT LOOPS	479
(A) AVG. C&WF 1.3 ANNUAL COST PER LOOP	<u>\$469.18</u>

<u>SERVICE</u>	<u>(B) AVERAGE MONTHLY DEMAND</u>	<u>C&amp;WF 1.3 COST</u>	
		<u>(C) LOOP EQUIVALENCY FACTOR</u>	<u>(D) C&amp;WF 1.3 COST PER CT</u>
VOICE GRADE 2W	55	0.6633	\$311.23
VOICE GRADE 4W	296	0.8500	\$398.81
AP1 3.5 Khz	0	0.4500	\$211.13
AP2 5.0 Khz	2	0.5000	\$234.59
AP3 8.0 Khz	0	0.5500	\$258.05
DDS DA 1 — 2.4 KBPS	0	0.8500	\$398.81
DDS DA 2 — 4.8 KBPS	0	0.8500	\$398.81
DDS DA 3 — 9.6 KBPS	25	0.8500	\$398.81
DDS DA 4 — 56.0 KBPS	27	0.9000	\$422.27
HI—CAP 1.544 MBPS	72	2.0000	\$938.37

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
CT COSTS

<u>DEVELOPMENT OF COE CAT. 4.13 COST PER CT</u>	<u>AMOUNT</u>
ANNUAL COST - COE CAT. 4.13	\$107,726
EQUIVALENT LOOPS	554
(B)AVG. ANNUAL COE 4.13 COST PER 2W CT	<u>\$194.36</u>

<u>SERVICE</u>	<u>COE 4.13 COST</u>		<u>(F)=C+E TOTAL ANNUAL COST PER CT</u>
	<u>(D) LOOP EQUIVALENCY FACTOR</u>	<u>(E) COE 4.13 COST PER CT</u>	
VOICE GRADE 2W	0.248483	\$48.30	\$359.52
VOICE GRADE 4W	1.000000	\$194.36	\$593.17
AP1 3.5 Khz	1.509372	\$293.37	\$504.50
AP2 5.0 Khz	1.509372	\$293.37	\$527.96
AP3 8.0 Khz	1.509372	\$293.37	\$551.42
DDS DA 1 - 2.4 KBPS	1.473030	\$286.30	\$685.11
DDS DA 2 - 4.8 KBPS	1.473030	\$286.30	\$685.11
DDS DA 3 - 9.6 KBPS	1.473030	\$286.30	\$685.11
DDS DA 4 - 56.0 KBPS	1.473030	\$286.30	\$708.57
HI-CAP 1.544 MBPS	2.291195	\$445.33	\$1,383.70

NOTE 1: COE LOOP EQUIVALENCY FACTOR RELATES VOICE GRADE 4W TO ALL OTHER SERVICES.

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
CT COSTS

<b>SERVICE</b>	<b>(G)=F/12 MONTHLY COST PER CT</b>	<b>(H)=G*ACC REV. REQ. MONTHLY RATE PER CT</b>	<b>(I)=A*H REV. REQ. ANNUAL REVENUES</b>
VOICE GRADE 2W	\$29.96	\$31.12	\$20,539
VOICE GRADE 4W	\$49.43	\$51.34	\$182,377
AP1 3.5 KHz	\$42.04	\$43.67	\$0
AP2 5.0 KHz	\$44.00	\$45.70	\$1,097
AP3 8.0 KHz	\$45.95	\$47.73	\$0
DDS DA 1 - 2.4 KBPS	\$57.09	\$59.30	\$0
DDS DA 2 - 4.8 KBPS	\$57.09	\$59.30	\$0
DDS DA 3 - 9.6 KBPS	\$57.09	\$59.30	\$17,791
DDS DA 4 - 56.0 KBPS	\$59.05	\$61.33	\$19,872
HI-CAP 1.544 MBPS	\$115.31	\$119.77	\$103,483
<b>TOTAL</b>	<b>\$557</b>		<b>\$345,159</b>



LUFKIN-CONROE TELEPHONE EXCHANGE, INC.  
SPECIAL ACCESS RATE DEVELOPMENT

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**COE CAT.4.13 EQUIVALENCY FACTORS**

<u>SERVICE</u>	<u>(A) CAT.4.13 COE CT EQUIPMENT PRICE OUT</u>	<u>(B) CAT.4.13 CT RATIOS</u>
VOICE GRADE 2W	\$322.37	0.248483
VOICE GRADE 4W	\$350.76	1.000000
AP1 3.5 KHZ	\$469.93	1.509372
AP2 5.0 KHZ	\$469.93	1.509372
AP3 8.0 KHZ	\$469.93	1.509372
DDS DA 1 - 2.4 KBPS	\$0.00	1.473030
DDS DA 2 - 4.8 KBPS	\$0.00	1.473030
DDS DA 3 - 9.6 KBPS	\$0.00	1.473030
DDS DA 4 - 56.0 KBPS	\$0.00	1.473030
HI-CAP 1.544 MBPS	\$765.12	2.291195

NOTE 1: THE COE 4.13 EQUIVALENT FACTOR IS DEVELOPED FROM AN INVENTORY  
PRICE OUT OF EACH SERVICE AS IT RELATES IN COST TO A VOICE GRADE  
4 WIRE CT.

**LUFKIN—CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**CMT COSTS**

<u>DEVELOPMENT OF CMT COST</u>					<u>AMOUNT</u>
ANNUAL COST FOR CMT SERVICE EQUIVALENT DEMAND					\$227,381 650
<u>(A) ANNUAL COST PER CMT FOR VOICE GRADE 2W</u>					<u>\$349.92</u>
<u>SERVICE</u>	(B) AVERAGE MONTHLY DEMAND	(C) CMT EQUIVALENCY FACTOR NOTE (1)	(D) EQUIVALENT DEMAND	(E) = A * C ANNUAL COST PER CMT	
VOICE GRADE 2W	18	1.000000	18	\$349.92	
VOICE GRADE 4W	238	1.000000	238	\$349.92	
AP1 3.5 KHz	0	1.814580	0	\$634.96	
AP2 5.0 KHz	0	2.178976	0	\$762.46	
AP3 8.0 KHz	0	2.928125	0	\$1,024.61	
DDS DA 1 – 2.4 KBPS	0	2.575630	0	\$901.26	
DDS DA 2 – 4.8 KBPS	0	2.575630	0	\$901.26	
DDS DA 3 – 9.6 KBPS	12	2.575630	31	\$901.26	
DDS DA 4 – 56.0 KBPS	28	3.154611	88	\$1,103.86	
HI—CAP 1.544 MBPS	40	6.864391	275	\$2,401.98	
<u>TOTAL</u>	<u>336</u>		<u>650</u>		

NOTE 1: CMT EQUIVALENT FACTORS RELATES VOICE GRADE 4W TO ALL OTHER SERVICES.

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**CMT COSTS**

	(F)=E*/12	(G)	(H)=B*G
<u>SERVICE</u>	<u>MONTHLY COST PER CMT</u>	<u>REV. REQ. MONTHLY RATE PER CMT</u>	<u>REV. REQ. ANNUAL REVENUES</u>
VOICE GRADE 2W	\$29.16	\$30.29	\$6,542
VOICE GRADE 4W	\$29.16	\$30.29	\$86,505
AP1 3.5 Khz	\$52.91	\$54.96	\$0
AP2 5.0 Khz	\$63.54	\$66.00	\$0
AP3 8.0 Khz	\$85.38	\$88.69	\$0
DDS DA 1 - 2.4 KBPS	\$75.11	\$78.01	\$0
DDS DA 2 - 4.8 KBPS	\$75.11	\$78.01	\$0
DDS DA 3 - 9.6 KBPS	\$75.11	\$78.01	\$11,234
DDS DA 4 - 56.0 KBPS	\$91.99	\$95.55	\$32,105
HI-CAP 1.544 MBPS	\$200.16	\$207.91	\$99,799
<b>TOTAL</b>			<b>\$236,185</b>

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**CMT EQUIVALENCY FACTORS**

<u>SERVICE</u>	(A) <u>CMT INVESTMENT</u>	(B) COE CMT <u>EQUIVALENCY FACTOR</u>
VOICE GRADE 2W	\$107.00	1.000000
VOICE GRADE 4W	\$107.00	1.000000
AP1 3.5 KHZ	\$194.16	1.814580
AP2 5.0 KHZ	\$233.15	2.178976
AP3 8.0 KHZ	\$313.31	2.928125
DDS DA 1 - 2.4 KBPS	\$275.59	2.575630
DDS DA 2 - 4.8 KBPS	\$275.59	2.575630
DDS DA 3 - 9.6 KBPS	\$275.59	2.575630
DDS DA 4 - 56.0 KBPS	\$337.54	3.154611
HI-CAP 1.544 MBPS	\$209.39	6.864391

NOTE 1: THE CMT EQUIVALENCY FACTOR FOR EACH SERVICE ARE AS THEY  
RELATE TO 4-WIRE VOICE GRADE.

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**CMF COSTS FROM C&WF CAT. 3 & COE CAT. 4.23**

<u>DEVELOPMENT OF COST PER CIRCUIT MILE</u>	<u>AMOUNT</u>
C&WF CAT. 3 & COE CAT. 4.23 SPECIAL ACCESS ANNUAL COST	\$354,856
ANNUAL SPECIAL ACCESS MILES	272
<u>(A) AVERAGE COST PER CIRCUIT MILE</u>	<u>\$1,304.68</u>

<u>SERVICE</u>	<u>(B) AVERAGE MONTHLY DEMAND (MILES)</u>	<u>(C) CHANNEL EQUIVALENCY FACTOR</u>	<u>(D)=B*C EQUIVALENT DEMAND</u>	<u>(E)=A*C RELATIVE ANNUAL COST/ MILE</u>
VOICE GRADE 2W	75.0	0.041667	3	\$54.36
VOICE GRADE 4W	1,435.0	0.041667	60	\$54.36
AP1 3.5 Khz	0.0	0.041667	0	\$54.36
AP2 5.0 Khz	0.0	0.083333	0	\$108.72
AP3 8.0 Khz	0.0	0.125000	0	\$163.08
DDS DA 1 - 2.4 KBPS	0.0	0.041667	0	\$54.36
DDS DA 2 - 4.8 KBPS	0.0	0.041667	0	\$54.36
DDS DA 3 - 9.6 KBPS	65.3	0.041667	3	\$54.36
DDS DA 4 - 56.0 KBPS	154.2	0.083333	13	\$108.72
HI-CAP 1.544 MBPS	258.0	0.750000	194	\$978.51
Total	1,987.5		272	

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**CMF COSTS FROM C&WF CAT. 3 & COE CAT. 4.23**

<u>SERVICE</u>	(F)=E/12	(G)	(H)=B*G
	COS MONTHLY RATE	REV. REQ. MONTHLY RATE	REV. REQ. ANNUAL REVENUES
VOICE GRADE 2W	\$4.53	\$4.71	\$4,235
VOICE GRADE 4W	\$4.53	\$4.71	\$81,029
AP1 3.5 KHz	\$4.53	\$4.71	\$0
AP2 5.0 KHz	\$9.06	\$9.41	\$0
AP3 8.0 KHz	\$13.59	\$14.12	\$0
DDS DA 1 - 2.4 KBPS	\$4.53	\$4.71	\$0
DDS DA 2 - 4.8 KBPS	\$4.53	\$4.71	\$0
DDS DA 3 - 9.6 KBPS	\$4.53	\$4.71	\$3,688
DDS DA 4 - 56.0 KBPS	\$9.06	\$9.41	\$17,413
HI-CAP 1.544 MBPS	\$81.54	\$84.70	\$262,230
Total			\$368,595

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**OPTIONAL FEATURES AND FUNCTIONS COSTS**

ANNUAL CARRY CHARGE FACTOR..... 0.346271

Line #	FEATURE	(A) AVERAGE MONTHLY DEMAND	(B) INVESTMENT PER FEATURE	(C)=B*ACCIF ANNUAL COST PER FEATURE
100	VOICE GRADE 2-W BRIDGING	0	\$35.83	\$12.41
110	VOICE GRADE 4-W BRIDGING	25	\$35.83	\$12.41
120	DATA 2-W BRIDGING	0	\$35.83	\$12.41
130	DATA 4-W BRIDGING	0	\$35.83	\$12.41
140	TELEPHOTO 2-W BRIDGING	0	\$35.83	\$12.41
150	TELEPHOTO 4-W BRIDGING	0	\$35.83	\$12.41
160	TELEPHOTO CAPABILITY	2	\$807.05	\$279.46
170	IMPROVED RETURN LOSS EFFECTIVE 2-WIRE	0	\$284.46	\$98.50
180	IMPROVED RETURN LOSS EFFECTIVE 4-W	51	\$292.20	\$101.18
190	SIGNALING CAPABILITY	60	\$618.84	\$214.29
200	HI-CAP MUX DS1 TO VOICE	23	\$11,465.61	\$3,970.21
210		161		



**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**OPTIONAL FEATURES AND FUNCTIONS COSTS**

REVENUE REQUIREMENT FACTOR..... 1.038717

Line #	FEATURE	(D)=C/12 COS MONTHLY RATE	(E)=D*RRF REV. REQ. MONTHLY RATE	(F) REV. REQ. ANNUAL REVENUES
100	VOICE GRADE 2-W BRIDGING	\$1.03	\$1.07	\$0

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SPECIAL ACCESS RATE DEVELOPMENT**  
**NONRECURRING REVENUE CALCULATIONS**

	(A)	(B)	(C)	(D)	(E)
SERVICE	ANNUAL ORDERING DEMAND	PROVISIONING DEMAND	ORDERING CHARGE	PROVISIONING CHARGE	(A*C)+(B*D) ANNUAL REVENUE
VOICE GRADE 2W	4	4	\$77.00	\$364.00	\$1,764
VOICE GRADE 4W	70	75	\$77.00	\$364.00	\$32,690
AP1 3.5 KHz	0	0	\$77.00	\$156.00	\$0
AP2 5.0 KHz	0	0	\$77.00	\$156.00	\$0
AP3 8.0 KHz	0	0	\$77.00	\$156.00	\$0
DDS DA 1 - 2.4 KBPS	0	0	\$77.00	\$303.00	\$0
DDS DA 2 - 4.8 KBPS	0	0	\$77.00	\$303.00	\$0
DDS DA 3 - 9.6 KBPS	8	9	\$77.00	\$303.00	\$3,343
DDS DA 4 - 56.0 KBPS	12	12	\$77.00	\$303.00	\$4,560
HI-CAP 1.544 MBPS	16	18	\$77.00	\$305.00	\$6,722
MISCELLANEOUS ORDER	8	N/A	\$36.00	N/A	\$288
MISCELLANEOUS REVENUES					\$10,200
TOTAL	118	118			\$59,567

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SWITCHED AND SPECIAL ACCESS RATE DEVELOPMENT**  
**NONRECURRING RATE SUMMARY**

<b><u>SERVICE ORDERS:</u></b>	<b><u>SERVICE ORDER RATES</u></b>
SWITCHED	\$77.00
SPECIAL	\$77.00
MISCELLANEOUS	\$36.00
NXX TRANSLATION	\$255.00
RESTORATION PRIORITY	\$77.00

<b><u>SERVICE PROVISIONINGS</u></b>	<b><u>PROVISIONING RATE</u></b>
SWITCHED	\$191.00
SPECIAL :	
VOICE GRADE 2W	\$364.00
VOICE GRADE 4W	\$364.00
PA1 3.5 KHz	\$156.00
PA2 5.0 KHz	\$156.00
PA3 8.0 KHz	\$156.00
DDS 2.4 Kbps	\$303.00
DDS 4.8 Kbps	\$303.00
DDS 9.6 Kbps	\$303.00
DDS 56 Kbps	\$303.00
HIGH CAP 1.544	\$305.00

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**ACCESS SERVICE ORDER WEIGHTED COST**

**ACCESS SERVICE ORDERING**

**ORDERING COST**

1 SWITCHED ACCESS SERVICE	\$108.69
2 SPECIAL ACCESS SERVICE	\$54.31

**TEST PERIOD ORDERS**

3 SWITCHED ACCESS SERVICE	83
4 SPECIAL ACCESS SERVICE	<u>118</u>

<b>TOTAL ORDERS</b>	<b>201</b>
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**ORDER WEIGHTING FACTOR**

5 SWITCHED ACCESS SERVICE (LINE 3/TOTAL ORDERS)	0.412935
6 SPECIAL ACCESS SERVICE (LINE 4/TOTAL ORDERS)	<u>0.587065</u>

<b>TOTAL</b>	<b>1.000000</b>
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**WEIGHTED SERVICE ORDER COSTS**

7 SWITCHED ACCESS SERVICE (LINE 5 * LINE 6)	\$44.00
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**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**ACCESS SERVICE ORDER STUDY RESULTS**

<u>SERVICE</u>	<u>JOB CLASSIFICATION</u>	<u>CON</u>	<u>TIME</u>	<u>DIS</u>	<u>CTIME</u>	<u>TOTAL</u>	<u>LABOR</u>	<u>SERVICE</u>
						<u>TIME</u>	<u>RATE</u>	<u>ORDER</u>
								<u>COSTS</u>
<b><u>NXX TRANSLATION</u></b>	IX CUST SER	1.58	0.17			1.75	\$43.51	\$76.10
(700/900/NXX)	TARIFF ASST	0.67	0.58			1.25	\$26.07	\$32.59
	ENGINEERING	0.25	0.25			0.50	\$41.88	\$20.94
	SWITCH ROOM	0.20	0.10			0.30	\$35.60	\$10.68
	SWITCH ROOM	0.30	0.15			0.45	\$35.60	\$16.02
	ENGINEERING	0.50	0.25			0.75	\$41.88	\$31.41
	ENGINEERING	0.33	0.17			0.50	\$41.88	\$20.94
	SWITCH ROOM	0.38	0.13			0.50	\$35.60	\$17.80
	ENGINEERING	0.17	0.08			0.25	\$41.88	\$10.47
	SWITCH ROOM	0.38	0.13			0.50	\$35.60	\$17.80
		0.00	0.00			0.00	\$0.00	\$0.00
<b>TOTAL NXX TRANSLATION</b>		4.751	1.998			6.749		\$254.75
<b><u>SWITCHED ACCESS</u></b>	IX CUST SER	0.08	0.08			0.17	\$43.51	\$7.22
	IX CUST SER	0.50	0.00			0.50	\$43.51	\$21.76
	IX CUST SER	0.25	0.08			0.33	\$43.51	\$14.49
	IX CUST SER	0.75	0.00			0.75	\$43.51	\$32.63
	TARIFF ASST	0.17	0.17			0.33	\$26.07	\$8.71
	TARIFF ASST	0.08	0.08			0.17	\$26.07	\$4.33
	TARIFF ASST	0.17	0.17			0.33	\$26.07	\$8.71
	IX CUST SER	0.17	0.08			0.25	\$26.07	\$6.52
	TARIFF ASST	0.08	0.08			0.17	\$26.07	\$4.33
<b>TOTAL SWITCHED ACCESS</b>		2.25	0.749			2.999		\$108.69
<b><u>SPECIAL ACCESS</u></b>	TARIFF ASST	0.08	0.08			0.17	\$26.07	\$4.33
	TARIFF ASST	0.08	0.00			0.08	\$26.07	\$2.16
	TARIFF ASST	0.08	0.08			0.17	\$26.07	\$4.33
	TARIFF ASST	0.25	0.00			0.25	\$26.07	\$6.52
	TARIFF ASST	0.17	0.17			0.33	\$26.07	\$8.71
	TARIFF ASST	0.17	0.17			0.33	\$26.07	\$8.71
	TARIFF ASST	0.17	0.17			0.33	\$26.07	\$8.71
	TARIFF ASST	0.17	0.08			0.25	\$26.07	\$6.52
	TARIFF ASST	0.08	0.08			0.17	\$26.07	\$4.33
<b>TOTAL SPECIAL ACCESS</b>		1.25	0.833			2.083		\$54.31

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**ACCESS SERVICE ORDER STUDY RESULTS**

<u>SERVICE</u>	<u>JOB CLASSIFICATION</u>	<u>CON</u>	<u>TIME</u>	<u>DIS</u>	<u>CTIME</u>	<u>TOTAL</u>	<u>LABOR</u>	<u>SERVICE</u>
						<u>TIME</u>	<u>RATE</u>	<u>ORDER</u>
								<u>COSTS</u>
<u>SERVICE DATE CHANGE</u>	IX CUST SER	0.08	0.00			0.08	\$43.51	\$3.61
SWITCHED	TARIFF ASST	0.00	0.00			0.00	\$26.07	\$0.00
	IX CUST SER	0.25	0.00			0.25	\$43.51	\$10.88
	IX CUST SER	0.25	0.00			0.25	\$43.51	\$10.88
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.08	0.00			0.08	\$26.07	\$2.16
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	<u>0.08</u>	<u>0.00</u>			<u>0.08</u>	<u>\$26.07</u>	<u>\$2.16</u>
SWITCHED TOTAL		1.25	0.00			1.25		\$42.76
<u>SERVICE DATE CHANGE</u>	TARIFF ASST	0.08	0.00			0.08	\$26.07	\$2.16
SPECIAL	TARIFF ASST	0.08	0.00			0.08	\$26.07	\$2.09
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	IX CUST SER	<u>0.08</u>	<u>0.00</u>			<u>0.08</u>	<u>\$43.51</u>	<u>\$3.61</u>
SPECIAL TOTAL		1.08	0.00			1.08		\$29.63
AVERAGE OF SWITCHED AND SPECIAL								\$36.19
<u>DESIGN CHANGE</u>	IX CUST SER	0.08	0.00			0.08	\$43.51	\$3.61
SWITCHED	IX CUST SER	0.25	0.00			0.25	\$43.51	\$10.88
	IX CUST SER	0.45	0.00			0.45	\$43.51	\$19.58
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	IX CUST SER	<u>0.08</u>	<u>0.00</u>			<u>0.08</u>	<u>\$43.51</u>	<u>\$3.61</u>
SWITCHED TOTAL		1.53	0.00			1.53		\$55.09
<u>DESIGN CHANGE</u>	TARIFF ASST	0.08	0.00			0.08	\$26.07	\$2.16
SPECIAL	TARIFF ASST	0.08	0.00			0.08	\$26.07	\$2.16
	TARIFF ASST	0.25	0.00			0.25	\$26.07	\$6.52
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	TARIFF ASST	0.17	0.00			0.17	\$26.07	\$4.35
	IX CUST SER	<u>0.08</u>	<u>0.00</u>			<u>0.08</u>	<u>\$43.51</u>	<u>\$3.61</u>
SPECIAL TOTAL		1.17	0.00			1.17		\$31.87
AVERAGE OF SWITCHED AND SPECIAL								<u>\$43.48</u>

**LUFKIN-CONROE TELEPHONE EXCHANGE, INC.**  
**SWITCHED ACCESS PROVISIONING WEIGHTED COST**

<b><u>SWITCHED ACCESS</u></b>	<b><u>AMOUNT</u></b>
1 FEATURE GROUP A	\$211.87
2 FEATURE GROUP B	\$190.56
3 FEATURE GROUP C	\$190.56
4 FEATURE GROUP D	\$190.56

**TEST PERIOD INSTALLATIONS**

5 FEATURE GROUP A	16
6 FEATURE GROUP B	10
7 FEATURE GROUP C	0
8 FEATURE GROUP D	747
TOTAL INSTALLATIONS	773

**INSTALLATION WEIGHTED FACTORS**

9 FEATURE GROUP A	0.020699
10 FEATURE GROUP B	0.012937
11 FEATURE GROUP C	0.000000
12 FEATURE GROUP D	0.966365
TOTAL WEIGHTED FACTOR	1.000000

**WEIGHTED INSTALLATION COSTS**

13 FEATURE GROUP A	\$4.39
14 FEATURE GROUP B	\$2.47
15 FEATURE GROUP C	\$0.00
16 FEATURE GROUP D	\$184.15
TOTAL WEIGHTED INSTALLATION COST	\$191.00

**NOTES:**

LINES 1-4 FROM ACCESS SERVICE PROVISIONING STUDY RESULTS.

LINES 5-8 FROM TEST PERIOD DEMAND.

LINES 9-12 TEST PERIOD INSTALLATION PER SERVICE DIVIDED BY TOTAL  
INSTALLATIONS (i.e. LN 4 DIVIDED BY TOTAL INSTALLATIONS).

LINES 13-16 SWITCHED ACCESS AMOUNT TIMES INSTALLATION WEIGHTING  
FACTOR (i.e. LN 1 TIMES LN 9).

RECEIVED

JUL 27 1993

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )  
 )  
1993 Annual Access ) CC Docket No. 93-193  
Tariff Filings, et al. )

Direct Case of the  
LUFKIN-CONROE TELEPHONE EXCHANGE, INC.

Lufkin-Conroe Telephone Exchange, Inc. (LCTX), by its attorneys, hereby files this Direct Case in response to the Federal Communications Commission's (FCC) June 23, 1993 decision regarding, among other things, the allocation of General Support Facility (GSF) costs. See In the Matter of 1993 Annual Access Tariff Filings, et. al., Memorandum Opinion and Order Suspending Rates and Designating Issues for Investigation, CC Docket No. 93-193, DA 93-762, released June 23, 1993 (Suspension Order). In the Suspension Order, the FCC suspended the June 17, 1993 GSF-related tariff filings<sup>1</sup> of all Local Exchange Carriers (LECs) for one day and instituted an accounting order. Suspension Order at p. 37. In addition, the Suspension Order, among other things, designated the following issue for investigation: "Have the LECs properly reallocated GSF costs in accordance with the GSF Order?" Id. at p. 36.

Attachment A hereto, contains Rule Section 61.38 cost support

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<sup>1</sup>The June 17 tariff filings were made in response to adoption of new rules concerning the allocation of GSF costs. See In the Matter of Amendment of the Part 69 Allocation of General Support Facility Costs, Report and Order, CC Docket No. 92-222, FCC 93-238, released May 19, 1993 (GSF Order).



materials submitted with the June 17 tariff filing. As shown in Attachment A, the rates proposed in LCTX's June 17 filing resulted from the proper allocation of GSF costs to all access service categories. Specifically, the new GSF allocation rules resulted in the allocation of zero GSF costs to the carrier common-line rate